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Digital Dealmakers

July 27, 2008

Christian Sterner, CEO of Wellcome Mat

The player: Christian Sterner, CEO of Wellcome Mat

The play: Wellcome Mat is designed to be a “hyper-local online video hub.” The company acts as a matchmaker, connecting local production companies with local businesses that want to produce Web videos about their services. Wellcome Mat then provides the technology platform to host, distribute and manage those videos on the Web. Ad revenue from local online video will grow to \$1.5 billion in 2012, up from \$10.9 million last year, according to the Kelsey Group. Also, about 28% of newspaper Web sites and 22% of TV sites now have interactive directories for such ads, said local media research firm Borrell Associates.

The pitch: Mr. Sterner is a big believer in the local advertising opportunity online. “Local is where the biggest opportunity is, because there is an immediate and long-lasting payoff,” he said. Wellcome Mat’s technology also includes chaptering, which lets online viewers jump easily to different segments of a video.

In the mix: Wellcome Mat competes with online video technology platforms such as Brightcove and Magnify.net, but Wellcome Mat is exclusively focused on local video production. Clients include national and local real estate brokerage firms, ForSaleByOwner.com and other local businesses, such as restaurants and hotels. The company is working to strike deals with Web portals, interactive directors, directories such as Yellow Pages and local media companies. Wellcome Mat counts 1,400 videographers in its network and recently struck a deal with local video production company TurnHere to include TurnHere’s videographers and content in the Wellcome Mat service.

The backstory: Mr. Sterner founded the company in Boulder, Colo., in March 2005 and launched the service commercially in June 2006. The company has offices in Colorado and New York.

The money guys: Wellcome Mat is self-funded and Mr. Sterner raised an undisclosed amount from family and friends. He said he has turned down venture capital because he believes he can grow without it. Wellcome Mat is paid monthly fees by its larger customers and plans to offer a premium tier of service with additional support and features in the coming months. He expects to achieve profitability in 2009 or 2010.

The pros: As the local TV advertising business continues to contract, local businesses likely will shift ad dollars from local TV to the Web.

The cons: Wellcome Mat needs to continue to broaden from its core base of Realtors so it doesn’t simply become known as an online video real estate hub.

Background: Mr. Sterner was born in Summit, N.J., and raised in both New Jersey and Atlanta. He studied English literature at the University of Colorado at Boulder. He worked for an Internet security firm before founding Wellcome Mat. He is 32 and lives in Boulder with his wife and two children.

Who knew? Mr. Sterner and his employees in New York often wear space suits around town with a video

screen wrapped around the neck saying, "What are you doing to stand out online?" They then tell people: "Local video is the answer."

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George: 1. As everyone knows by now, video is very exciting. I think in the next few years people will discover that video is appropriate for certain areas of the consumer market, right now it seems like everyone wants to use video for everything. I think the small business arena will benefit the most from video which is pretty much the thesis behind www.Jippidy.com

Posted by [George](#) | July 28, 2008 7:47 AM

Jim W: Great site. Wonderful help and feed back. Room first timers to experienced. Format lets you experiment and work on your videos.

Posted by [Jim W](#) | July 28, 2008 8:14 AM
